

STANFORD CENTER ON
POVERTY & INEQUALITY



SIMULATIONS

SIMULATION DETAILS

BASED ON IMPUTATIONS UP TO ADMINISTRATIVE TOTALS

CALWORKS AND CALFRESH IMPUTATIONS ARE DESIGNED TO WORK WELL AT THE AGGREGATE LEVEL (NOT THE INDIVIDUAL LEVEL) ... SO WE HAVE TO BE CAUTIOUS

FURTHER CHECKING UNDERWAY

MUCH ADDITIONAL SIMULATION WILL BE UNDERTAKEN

TABLE 1. DEEP CHILD POVERTY SIMULATIONS

PROPOSED REFORM^{1,2}	Estimated Cost of Proposed Reform (\$Millions)	Existing Deep Child Poverty Rate³	Deep Child Poverty Rate After Reform	% Reduction in Deep Child Poverty Rate	Residual Poverty Gap (\$Millions)	Cost of Each Percentage Point Reduction in Deep Child Poverty (\$Millions)	Percent of Dollars Spent Getting Family up to Deep Poverty Threshold
EITC REFORM							
1. Full CA EITC for All	839	4.7%	4.3%	10.3%	1,244	1,713	31.2
2. Omit CA EITC Phase-In	129	4.7%	4.7%	1.2%	1,472	2,237	26.8
3. Double CA EITC Credit for All	423	4.7%	4.6%	3.8%	1,443	2,322	15.0
4. Omit Second CA EITC Phase-Out	471	4.7%	4.7%	1.7%	1,483	5,881	5.0
CTC REFORM⁴							
5. \$2,000 CTC per Child	3,743	4.7%	2.9%	38.7%	930	2,035	15.4
6. \$2,000 CTC per Child Under Age 6	1,235	4.7%	4.1%	14.0%	1,288	1,863	17.6
7. \$2,000 CTC per Child Under Age 3	579	4.7%	4.5%	5.9%	1,405	2,057	17.4
8. Targeted CTC	1,506	4.7%	0.0%	100.0%	0	317	100.0
TANF REFORM							
9. Increase by 10%	326	4.7%	4.7%	1.5%	1,489	4,577	5.4
10. Increase by 33% Above Baseline ⁵	1,076	4.7%	4.6%	3.9%	1,454	5,883	4.8
SNAP REFORM							
11. Increase SNAP \$30/month for Fam. w/Child.	368	4.7%	4.6%	2.8%	1,473	2,732	9.0
COMBINATION REFORMS							
EITC (2)+CTC (5)+TANF (9)+SNAP (11)	4,566	4.7%	2.7%	42.9%	878	2,242	13.8
EITC (2)+TANF (9)+SNAP (11)	823	4.7%	4.5%	5.0%	1,423	3,479	10.1
EITC (2)+TANF (9)	455	4.7%	4.6%	2.8%	1,455	3,381	11.3
EITC (2)+SNAP (11)	497	4.7%	4.6%	3.8%	1,439	2,744	13.5
EITC (2)+CTC (5)	3,872	4.7%	2.9%	39.6%	906	2,060	15.5
TANF (9)+SNAP (11)	694	4.7%	4.6%	3.9%	1,456	3,744	7.2
CTC (5)+TANF (9)	4,069	4.7%	2.9%	39.8%	921	2,151	14.4
CTC (5)+TANF (10)	4,819	4.7%	2.8%	41.8%	904	2,425	12.5

TABLE 2. CHILD POVERTY SIMULATIONS

PROPOSED REFORM^{1,2}	Estimated Cost of Proposed Reform (\$Millions)	Existing Child Poverty Rate³	Child Poverty Rate After Reform	% Reduction in Child Poverty Rate	Residual Poverty Gap (\$Millions)	Cost of Each Percentage Point Reduction in Child Poverty (\$Millions)	Percent of Dollars Spent Getting Family up to Poverty Threshold
EITC REFORM							
1. Full CA EITC for All	839	20.3%	19.6%	3.3%	9,054	1,251	69.2
2. Omit CA EITC Phase-In	129	20.3%	20.2%	0.5%	9,561	1,243	56.8
3. Double CA EITC Credit for All	423	20.3%	20.0%	1.2%	9,452	1,749	43.1
4. Omit Second CA EITC Phase-Out	471	20.3%	20.0%	1.4%	9,482	1,716	32.3
CTC REFORM⁴							
5. \$2,000 CTC per Child	3,743	20.3%	17.3%	14.5%	7,688	1,275	52.0
6. \$2,000 CTC per Child Under Age 6	1,235	20.3%	19.2%	5.2%	8,968	1,182	53.9
7. \$2,000 CTC per Child Under Age 3	579	20.3%	19.8%	2.3%	9,325	1,268	53.3
8. Targeted CTC	1,506	20.3%	20.3%	0.0%	8,128	N/A	100.0
TANF REFORM							
9. Increase by 10%	326	20.3%	20.0%	1.3%	9,528	1,247	32.4
10. Increase by 33% Above Baseline ⁵	1,076	20.3%	19.4%	4.2%	9,312	1,256	29.9
SNAP REFORM							
11. Increase SNAP \$30/month for Fam. w/Chld.	368	20.3%	20.1%	1.1%	9,489	1,696	39.3
COMBINATION REFORMS							
EITC (2)+CTC (5)+TANF (9)+SNAP (11)	4,566	20.3%	16.9%	16.8%	7,436	1,340	48.1
EITC (2)+TANF (9)+SNAP (11)	823	20.3%	19.7%	3.0%	9,316	1,375	38.6
EITC (2)+TANF (9)	455	20.3%	19.9%	1.9%	9,457	1,205	38.9
EITC (2)+SNAP (11)	497	20.3%	20.0%	1.5%	9,417	1,620	43.7
EITC (2)+CTC (5)	3,872	20.3%	17.3%	14.8%	7,629	1,286	51.8
TANF (9)+SNAP (11)	694	20.3%	19.8%	2.5%	9,387	1,357	35.6
CTC (5)+TANF (9)	4,069	20.3%	17.2%	15.4%	7,612	1,305	49.7
CTC (5)+TANF (10)	4,819	20.3%	16.7%	17.6%	7,454	1,353	45.2

POSSIBLE REVISIONS TO TARGETED CTC

MAXIMUM PER-CHILD BENEFIT (E.G., \$5K)

ELIMINATE DISINCENTIVES TO WORK

TIMING OF DELIVERY (SAME YEAR, PRENATAL)

ELIMINATE OVERLAP WITH SHALLOW HOUSING SUBSIDY